

Message Text

LIMITED OFFICIAL USE

PAGE 01 TUNIS 01625 110931Z

ACTION OPIC-06

INFO OCT-01 EA-07 NEA-10 ISO-00 EB-08 AGRE-00 AID-05

COME-00 /037 W

-----110935Z 121943 /20

R 110809Z MAR 77

FM AMEMBASSY TUNIS

TO AMEMBASSY JAKARTA

INFO SECSTATE WASHDC 6015

AMEMBASSY CAIRO

AMEMBASSY MANILA

LIMITED OFFICIAL USE TUNIS 1625

E.O.11652: N/A

TAGS: BAGB EIND EAGR TS ID

SUBJECT: AGRIBUSINESS COUNCIL INVESTMENT MISSION PROGRAM

REF: JAKARTA D2667

1. AGRIBUSINESS COUNCIL (ABC) INVOLVEMENT IN TUNISIA DATES TO JANUARY 1975 AND CONVERSATION IN NEW YORK BETWEEN TUNISIA'S THEN SECRETARY OF STATE (DEPUTY MINISTER) FOR AGRICULTURE MOHAMED GHEDIRA (NOW PRESIDENT OF NATIONAL FARMER'S ASSOCIATION) AND KENNETH MUELLER OF ABC. FOLLOW-UP VISITS TO TUNISIA BY FORREST WALLACE OF ABC BOARD OF DIRECTORS LED TO PROJECT POSSIBILITY IN WALLACE'S AREA OF INTEREST: NAMELY, PRE-SEASON FRUITS AND VEGETABLES FOR MARKETS IN EUROPE. FULL-SCALE ABC INVESTMENT MISSION PROGRAM BEGAN WITH VISIT TO TUNISIA IN JULY 1976 BY MUELLER AND ABC PROPOSAL TO MINISTRY OF AGRICULTURE TO UNDERTAKE 9-STEP, 26-WEEK ("NOT NECESSARILY CONSECUTIVE") INVESTMENT MISSION PROGRAM IN CONJUNCTION WITH GOT. PROPOSAL WAS ACCEPTED BY MINAG, AND WAS FURTHER GIVEN BLESSING OF PRIME MINISTER NOUIRA AND U.S.-TUNISIAN JOINT COMMISSION DURING ITS OCT 1976 SESSION.

2. POSSIBLE LANGUAGE DIFFICULTIES, AND EVIDENT LACK OF ATTENTION TO DETAILS OF PROGRAM PROPOSAL BY BOTH ABC AND GOT, LED TO INITIAL CONFUSION OVER RESPECTIVE ROLES, PARTICULARLY AS REGARDS DATA COLLECTION, PREPARATION OF "PROJECT PROFILES", AND FINANCING. FURTHER DIFFICULTIES WERE INTRODUCED BY DISPERSION OF RESPONSIBILITIES AND DIVERGENCE OF ATTITUDES AMONG PRINCIPAL AGRICULTURAL FIGURES BOTH IN AND OUTSIDE GOT. PECULIAR TUNISIAN LAND OWNERSHIP LEGISLATION, BARRING ANY DIRECT

LIMITED OFFICIAL USE

PAGE 02 TUNIS 01625 110931Z

TION TO DETAILS OF PROGRAM PROPOSAL BY BOTH ABC AND GOT, LED TO INITIAL CONFUSION OVER RESPECTIVE ROLES, PARTICULARLY AS REGARDS DATA COLLECTION, PREPARATION OF "PROJECT PROFILES", AND FINANCING. FURTHER DIFFICULTIES WERE INTRODUCED BY DISPERSION OF RESPONSIBILITIES AND DIVERGENCE OF ATTITUDES AMONG PRINCIPAL AGRICULTURAL FIGURES BOTH IN AND OUTSIDE GOT. PECULIAR TUNISIAN LAND OWNERSHIP LEGISLATION, BARRING ANY DIRECT

FOREIGN CONTROL OVER AGRICULTURAL LAND OR PRODUCTION, ALSO
POSED STUMTOWVG BLOCK TO CREATION OF INTEGRATED AGRIBUSINESS
PROJECTS. GOT AGRICULTURAL POLICY, CONCENTRATING ON LOWERING
DOMESTIC PRICES RATHER THAN BOOSTING EXPORTS (AND THEREFORE
LOOKING TOWARD IMPORT SUBSTITUTION PRODUCTS SUCH AS LIVES-
STOCK, COTTON, SUGARBEETS), ALSO SEEN AS NEGATIVE FACTOR BY AB
C
EXPERTS.

3. DESPITE POTENTIAL PROBLEMS OF ORDER CITED ABOVE, GOT
NOW APPEARS ANXIOUS TO MAKE SUCCESS OF ABC PROGRAM. PRIME
MINISTER IS PARTICULARLY INERESTED ANS INVESTMENT PROMISES
NOT ONLY CAPITAL FUNDS BUT ALSO NEW TECHNOLOGY AND EXPANDED
MARKETS.

4. WHERE DOES ABC'S TUNISIAN PROGRAM STAND? AFTER LONG DIS-
CUSSION OF RESPONSIBILITY FOR "PROJECT PROFILES" AND FINANCING,
ABC AND GOT AGREE THAT ABC TEAM WOULD COME TO TUNISIA (IN
LATE JAN.) "TO ASSIST GOT" IN DEVELOPING PROFILES. IN FACT,
TEAM DRAFTED PROFILES AND IS NOW COMPLETING THEM IN U.S.
FOUR OR FIVE PROFILES ARE EXPECTED TO SEE LIGHT OF DAY, AND
WILL BE CIRCULATED TO ABC MEMBER COMPANIES WHO WOULD BE PO-
TENTIAL INVESTORS. TEAM COSTS WERE FINANCED BY ABC FOR
INTERNATIONAL TRAVEL AND GOT FOR LOCAL EXPENSES (HOTEL, MEALS,
TRANSPORTATION). ABC COUNTERPART AGENCY, NATIONAL CENTER FOR
AGRICULTURAL STUDIES, WAS RESPONSIBLE FOR OVERALL COORDINATION
OF VISIT. NEXT STEP EXPECTED IS INVESTMENT FORUM IN U.S.
WITH SENIOR GOT OFFICIALS AND REPS.OF ABC MEMBER FIRMS
ATTRACTED BY PROJECT PROFIELS.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 TUNIS 01625 110931Z

5. EVALUATION: IT IS TOO EARLY TO TELL WHETHER THE PROGRAM
WILL SUCCEED OR NOT IN TUNISIA. WE HAVE, FRANKLY, BEEN TEMP-
TED ON SEVERAL OCCASIONS TO THROW IN THE TOWEL, BUT EACH TIME,
ABC AND/OR GOT HAVE EXHIBITED FLEXIBILITY AND INTEREST NEEDED
TO GO ON. AGRIBUSINESS, AS SEEN BY ABC AND MOST U.S. COMPANIES,
WILL NOT BE EASY HERE GIVEN DOMESTIC ECONOMIC, COMMERCIAL AND
MOST OF ALL POLITICAL PRESSURES. ABC HAS DEMONSTRATED CTNSI-
DERABLE PATIENCE, ALBEIT WITH OCCASIONAL AND DISTURBING LACK
OF INTERNAL COORDINATION. GOT OFFICIALS PRAISED THE WORK OF
THE ABC TECHNICAL TEAM. ABC/GOT ENDEAVOR HAS BEEN MARKED BY
NUMEROUS DELAYS AND PROBLEMS, BUT PERSEVERES. TO CALL THE
TUNISIAN CASE "SUCCESS SOTRY" IS PREMATURE--BUT WE'RE HOPE-
FUL.

6. PERHAPS WE'VE PROVIDED TOO MUCH DETAIL, BUT TRUST FORE-
GOING WILL BE USEFUL TO YOU. THIS EXCHANGE HAS BEEN HELPFUL
TO US IN PLACING OUR EXPERIENCE WITH THE ABC PROGRAM IN PERS-
PECTIVE. SUGGEST ALL ADDRESSEES INFO EACH OTHER FOR FUTURE

SUBSTANTIVE TRAFFIC ON AGRIBUSINESS COUNCIL.
MULCAHY

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGRIBUSINESS, INVESTMENT PROGRAMS
Control Number: n/a
Copy: SINGLE
Sent Date: 11-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977TUNIS01625
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770084-0355
Format: TEL
From: TUNIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770366/aaaacgtv.tel
Line Count: 118
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 409f24b9-c288-dd11-92da-001cc4696bcc
Office: ACTION OPIC
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 JAKARTA 2667
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 10-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3129225
Secure: OPEN
Status: NATIVE
Subject: AGRIBUSINESS COUNCIL INVESTMENT MISSION PROGRAM
TAGS: BAGB, EIND, EAGR, TS, ID
To: JAKARTA
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/409f24b9-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009